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March 23, 2012

Jocelyn Boyd
Chief Clerk and Administrator
Public Service Commission of South Carolina
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Re: Docket No. 2009-166-E: Power Manager

Dear Ms. Boyd:

Duke Energy Carolinas, Inc. ("Duke Energy" or the "Company") hereby submits for approval a revised tariff, attached as Exhibit 1 in redline and as revised, for the Company's Power Manager Program. Power Manager is a demand response program that cycles residential central air conditioning units during summer peak demand conditions. Currently, customers must pay a \$35.00 fee to have the load control device installed on their HVAC unit and they receive an \$8.00 credit from July to October. The tariff is attached as Exhibit 1 and removes the \$35.00 installation fee associated with the program. The Company seeks to remove this fee in an effort to increase the number of program participants. Thus far, the Company has achieved approximately 25% of expected participation. Results from a study the Company commissioned show the most significant barrier impacting customer enrollment is the \$35.00 installation fee.

The Company did not factor the \$35.00 installation fee into the cost effectiveness of Power Manager. Thus, the cost effectiveness of the program, which is shown in Exhibit 2, remains the same.

Please let me know if you have questions or comments about this matter.

Sincerely,

Timika Shafeek-Horton

RIDER PM (SC)
POWER MANAGER LOAD CONTROL SERVICEAVAILABILITY (South Carolina only)

Available to individually-metered residential customers receiving concurrent service from the Company on Schedule RS, RE, RB or ES, who are not served under Rider NM.

This Rider is available on a voluntary basis, at the Company's option, in areas where the Company operates load control devices. This Rider is available for control of electric central air conditioning (cooling) systems where the following requirements are met:

1. The Customer must agree to control of all central air conditioning installed in the residence.
2. The Company shall have the right to require that the owner of the controlled equipment give satisfactory written approval for the Company's installation and operation of load control devices on that equipment before entering an agreement with the Customer and making such installation.
3. Neither the Customer nor his agent shall disconnect or otherwise interfere with the Company's equipment required to control the Customer's air conditioning system.
4. The Customer shall immediately notify the Company of the removal or damage to the Customer's equipment or the remote control unit.
- ~~4.5. The Company will provide the necessary wiring for a circuit, exclusive of any other load, suitable for the installation of a load control device. However, the Company will not be required to install additional wiring if the Company determines the wiring cannot be done in a manner which is economically feasible~~

INTERRUPTION PERIODS

The Company shall have the right to interrupt service to the Customer's central air conditioning (cooling) systems at any time the Company has capacity problems, including generation, transmission or distribution capacity problems or reactive power problems.

In addition, the Company shall have the right to intermittently interrupt (cycle) service to the Customer's central electric air conditioning (cooling) systems. The Company will restrict its operation of the load control devices so that during the eighteen (18) hour period from 6:00 a.m. to 12 midnight, the total duration of cycling interruption shall not exceed ten (10) hours.

The Company, at its sole discretion, may limit requests for curtailment to geographic regions for valid reasons.

The Company reserves the right to test the function of these load control provisions at any time.

CREDITS FOR LOAD CONTROL

Payments will be made to the Customer as a billing credit as follows:

<u>Billing Month</u>	<u>Credit</u>
July – October	\$ 8.00 per month

The total credits on any monthly bill shall not exceed 35% of the current monthly bill calculated on the appropriate rate schedule exclusive of such credits. In addition, the monthly bill shall not be less than the Basic Facilities Charge for the applicable schedule.

INSTALLATION FEE

~~Service under this Rider requires a circuit wired through a Company meter enclosure, exclusive of any other load, and suitable for the installation of a load control device. The Customer shall pay a fee as follows:~~

Prewired for load control service	No charge
Additional wiring for air conditioning service	\$35.00

~~The Company will not be required to install additional wiring for the charge listed above if the Company determines the wiring cannot be done in a manner which is economically feasible.~~

CONTRACT PERIOD

The Company offers a contract for customers allowing load control for an initial term of one year and thereafter until terminated by either party on thirty days' written notice. The Company reserves the right to terminate the Customer's contract under this Rider at any time upon notice to the Customer for violation of any of the terms or conditions of the applicable schedule or this

EXHIBIT 1

Duke Energy Carolinas, LLC

Electricity No. 4

South Carolina ~~First-Second (Proposed)~~ Revised Leaf No. 71
Superseding South Carolina ~~First Revised Original~~ Leaf No. 71

RIDER PM (SC)
POWER MANAGER LOAD CONTROL SERVICE

Rider. If within the first year, the Customer wishes to discontinue load control service the Customer will pay a \$25.00 service charge.

South Carolina ~~First-Second (Proposed)~~ Revised Leaf No. 71
Effective for service on and after ~~February 1, 2010~~

PSCSC Docket No. ~~2009-226-E, Order No. 2010-79~~

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